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11 March 1955

MEMORANDUM FOR: CHAIRMAN OF BOARD OF DIRECTORS, GEHA, INC.

SUBJECT : Annual Audit Report on GEHA, Inc.,
dated 28 January 1955

1. Reference is made to the action taken by this office relating to the administrative action requested by the Auditor in paragraph 10. of subject Annual Report.
2. Subparagraph a. of the Auditor's Report has already been acted upon and the Chief, Management Staff, has been requested to conduct a detailed survey in this regard.
3. Subparagraph b. has been put into effect and individual premium accounts are being reconciled with the general ledger control accounts daily, and will be reconciled quarterly beginning 1 April 1955.
4. Subparagraph c. has been in effect since 1 February 1955, on which date the Report of Audit was received in this office.
5. Subparagraph d. was also put into immediate effect and will hereafter be conducted in that manner.
6. Subparagraph e. has been accomplished and the bonding company is presently effecting what is known as a 3-D combination bond which affords solid protection against (a) dishonesty of employees, (b) loss of money within premises by either destruction, disappearance, or wrongful abstraction, (c) loss of money outside premises caused by destruction, mysterious disappearance or wrongful abstraction (hold-up) while being conveyed by messenger.
7. The above satisfies all of the administrative actions requested by the Auditor in his Annual Report.

HARRISON G. REYNOLDS
Director of Personnel

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